GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:536
ANSWERED ON:20.02.2003
ANDREW YULE TEA INDUSTRY IN EASTERN REGION
MAHBOOB ZAHEDI

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the Andrew Yule regularly deposited every year from 1983 to 1994 to the Government treasury a part their profit;

(b) if so, whether due to non-receipt of dues from various State Electricity Boards, the company incurred a loss during 2000-01;

(c) if so, the details thereof;

(d) whether closure of the company will require Rs.540 crore, whereas one tenth of the amount, if invested, may make the company viable; and

(e) if so, the steps taken by the Government to make the company viable rather than closure?

Answer

MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI BALASAHEB VIKHE PATIL)

(a) The company paid dividend to the Government from 1983 to 1994.

(b) & (c): The company incurred a loss of Rs.26.78 crore in the year 2000-01. The dues of the Electrical Division of the company from the various State Electricity Boards exceeded Rs.50 crore throughout 2000-01.

Meanwhile the Tea industry has witnessed a sharp decline in its price. The average auction price of the company`s tea declined from Rs.80.41 per kg. during 1997-98 to Rs.67.85 per kg. during 2001-01. This affected the Tea division of AYCL.

The above two factors had been mainly responsible for losses of the company during 2000-01.

(d) & (e): The cost of closure as estimated by the Consultants as on 31.12.2002 is Rs.547.88 crore.A final view on restructuring and revival proposal of the company based on the report of the consultants with an infusion of Rs.145 crores by 31.3.2003 is yet to be taken.